

CENTRAL INTELLIGENCE AGENCY

OFFICE OF NATIONAL ESTIMATES

29 August 1956

STAFF MEMORANDUM NO. 71-56

SUBJECT: Implications of the Laotian Agreement to Settle the Pathet
Lao Problem*

1. Two weeks ago the Royal Lao Government and the Pathet Lao reached an agreement on the principles for a political settlement and the reunification of Laos. The agreement calls for a cease-fire, a Lao foreign policy based on neutrality and peaceful co-existence, PL participation in the political life of the country as a legitimate party, supplementary elections for 21 new seats in the National Assembly and PL participation in a "government of national union." However, the full implications depend on the outcome of the detailed negotiations which are to begin in the next few days. In implementing the agreement the critical points to be worked out are the nature and extent of PL participation in the government, the reestablishment of RLG control in the two northern provinces, and the terms for integrating the PL armed forces into the Lao National Army.

2. RLG Position. The basic objective of the RLG is to unify the country. To this end, the Royal Government's position in the

* This memorandum has been discussed with OCI and DDP.

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detailed negotiations will probably not be overly rigorous. Many of the RLG leaders appear to believe that the bulk of the PL, including both leaders and followers, are not "real" Communists but are misguided Laotian patriots. In any case, they tend to believe that the RLG is stronger politically and militarily than the PL and that once the integration is accomplished the RLG can deal with Communist subversive elements. An important factor in the RLG position is the fact that Souphanouvong, the PL leader, is a half-brother of Souvanna, the Prime Minister. Souvanna apparently is convinced that Souphannouvong is a Lao nationalist rather than a true Communist. A factor of an unknown quantity is the forthcoming return of Prince Petsarath, also a half-brother of Souvanna. He was the leader of a free Lao guerrilla group during the Franco-Viet Minh struggle which subsequently became the Pathet Lao. Petsarath, a non-Communist, has been in exile in Thailand where he established friendly relations with General Phao.

3. PL Position. The basic objective of the PL is to gain control of Laos. In view of the inability of the PL to seize control of Laos without Viet Minh military assistance and of the present emphasis of international Communism on political action and subversion, the PL apparently is intent on shifting to political tactics. However, until they are convinced that they will be allowed to operate as a legal political force and that they will be able to develop substantial political support throughout Laos, the PL leaders are not likely to accept a settlement which would destroy their control of the two northern provinces, or of their armed forces.

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Major Issues in Current RLG-PL Negotiations

4. Pathet Lao Participation in the Royal Laotian Government.

The RLG and PL negotiators must seek agreement as to the manner in which a "government of national union" will be formed. It appears that constitutionally such a government can only be formed after the PL candidates stand for election and win seats in the Assembly. As an interim measure, however, it apparently would be legal for Souvanna, with Assembly approval, to name one or two PL ministers to his present cabinet. Should the PL press this position, Souvanna would probably agree and the Assembly would probably approve the inclusion of one or two PL in minor cabinet posts before elections.

5. Political Control of the Two Northern Provinces. The resumption of political control of the two northern provinces is basic to the negotiating position of the RLG. The PL on the other hand will probably be unwilling to give up effective control of its base of operations until its political position, in Laos generally, is assured. The PL leaders have invited the RLG to send a governor and a deputy to Phong Saly and Sam Neua provinces but have stated that at least for the present the other administrative posts will continue in PL hands. It is likely that the PL will not give on this issue and that in the end the RLG, because of its desire for a settlement, will probably accept something like the present PL offer.

6. Integration of PL Military Forces. The RLG is apparently willing to accept integration of about 1500 PL troops into the Royal

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army (ANL) in the form of two 780-man battalions. Providing they can move these integrated PL forces out of the two northern provinces, the ANL leaders believe they can deal with the future problem of subversion. However, the PL will probably be unwilling to agree to the transfer of the integrated units to other areas in Laos. Negotiations on the issues will be touchy for the RLG because its army is almost entirely dependent on the US funds. However, the RLG will probably be willing to settle on some basis which might permit the PL forces to remain in the two provinces at least for a stipulated period.

The Laotian Political Situation

7. If the negotiations develop in the manner described above, the RLG would achieve its objective of reunification of Laos although it would not have established effective political control in the two northern provinces. The PL, while maintaining a base of operations in the northern provinces, would have the opportunity to organize and campaign as a legal political party throughout Laos. The extent of the danger to the RLG in the terms of the settlement would depend primarily on RLG success in meeting Communist subversion and competing with the Communists on a national political level.

8. There are indications that the cabinet is not completely united behind Souvanna in his agreement with the PL, and any concession he makes during detailed negotiations may endanger the life

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of his government. However, the chances are better than even that Souvanna's government will remain in office until supplementary elections are held. There is no strong alternative candidate for the prime ministership on hand at the present time. Former Prime Minister Katay has acquired many enemies by his political maneuvers over the past few months, and other Lao leaders appear unwilling to assume responsibility during the period of negotiation with the PL.

9. Although the PL pressed for new general elections or assurance of posts in the Cabinet, the PL leaders were willing to compromise for an increase of 21 seats in the National Assembly (making a total of 60 seats) and supplementary elections to fill the new seats. Because of constitutional requirements, the elections cannot be held before early 1957. This interval of time will permit the PL leaders to organize support and capitalize on their new political legitimacy throughout Laos. In the supplemental elections the PL might win as many as nine or ten seats and probably can count on some support from another nine or ten of the present deputies. Whether or not the elections would be delayed if the detailed negotiations are not successfully concluded is not clear.

Recommendation

10. In view of the new situation developing in Laos, the last Laotian estimate, NIE 63.3/1-55, 20 December 1955, is outdated. It is suggested

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that a new estimate be scheduled for completion either during the
Fourth Quarter 1956 or the First Quarter 1957 depending on the outcome
of the RLG-PL negotiations.

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